

## *Dear Friends and Clients,*

With our newsletter we would like to inform you of recent and significant legal developments in Argentina.

Best regards,

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#### COVID-19 - MANDATORY QUARANTINE MEASURES

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On March 19, 2020, President Fernández announced a countrywide lockdown to minimize social contact and seek to curb the advance of coronavirus in Argentina, starting on March 20, 2020 at 00.00 hs (the “**Effective Date**”) through at least March 31, 2020 (the “**Quarantine Period**”). The measure was instrumented by means of Emergency Decree No. 297/2020 (the “**Decree**”), published in the Official Gazette on March 20, 2020.

#### QUARANTINE MEASURES

The Decree establishes: (i) a “preventive and mandatory quarantine” within the framework of the declaration of coronavirus as a global pandemic by the World Health Organization on March 11, 2020 and the National Health Emergency extended by Decree No. 260/2020 earlier this month (the “**Health Emergency**”), with people ordered to

remain at their residency (or where they are located on the Effective Date) during the Quarantine Period, leaving only for essential activities such as purchasing cleaning supplies, medicine and food (the “**Quarantine**”); (ii) a prohibition of cultural, recreational, sports or religious events, or any other type of event involving the participation of people; (iii) the shutdown of stores, shopping centers, wholesale and retail establishments, and any other place that requires the presence of persons. The Quarantine Period may be extended for as long as deemed necessary in light of the pandemic crisis.

The Federal Ministry of Security shall coordinate with its provincial counterparts in order to set up permanent controls on roads, streets, public spaces, city gates and other strategic places, in order to ensure compliance with the Quarantine, as well as all other emergency health rules and regulations. The

remaining federal and provincial authorities shall coordinate efforts within the scope of their authorities, to arrange control procedures with the same purpose.

## PENALTIES

Anyone violating the Quarantine and any other public health rules and regulations shall be immediately stopped and prosecuted in accordance with Sections 205, 239 et al of the Criminal Code<sup>1</sup>. The Ministry of Security shall arrange for the immediate confiscation of vehicles driving in violation of the Decree, and shall keep confiscated such vehicles for as long as necessary to prevent their movement.

## EXEMPTIONS

Notwithstanding the above, the Decree establishes that those persons that carry out the following activities and services (which are deemed essential during the emergency) are exempt from complying with the Quarantine, provided that their movement is limited to strict compliance with said activities and services ("**Excluded Activities**"):

1. Health personnel, security forces, Armed Forces, customs personnel, national meteorological service, firefighters and air traffic control.
2. Senior authorities of the national, provincial, municipal and Autonomous City of Buenos Aires governments, and workers in the national, provincial, municipal and Autonomous City of Buenos Aires public sector summoned to ensure essential activities required by the respective authorities.
3. Justice service personnel on duty, as established by the competent authorities.
4. Foreign diplomatic and consular personnel of the Argentine Government, under the framework of the Vienna Convention on Diplomatic Relations and the 1963 Vienna Convention on Consular Relations, and the international organizations personnel employed under the Argentine Government, the Red Cross and White Helmets.
5. Persons who must assist others with disabilities; family members who need assistance; elderly persons; children and adolescents.
6. People who face a force majeure event.
7. Persons working in connection with the performance of funeral services, burials and cremations; in connection with the foregoing, activities that involve the gathering of people are suspended.
8. Persons working at school and community canteens or cafeterias.
9. Personnel working in audiovisual, radio and newspaper communication services.

10. Personnel involved in public works.
11. Wholesale and retail supermarkets and convenience stores. Pharmacies. Hardware stores. Veterinary shops. Provision of LPG carafes.
12. Food industries, including their supply chain; personal hygiene and cleaning; medical equipment, medicines, vaccines and other sanitary supplies.
13. Activities related to agricultural and fishing production, distribution and commercialization.
14. Telecommunications, fixed and mobile internet and digital services activities.
15. Activities linked to foreign trade that cannot be postponed.
16. Collection, transport and treatment of urban, hazardous and pathogenic waste.
17. Maintenance of basic services (water, electricity, gas, communications, etc.) and emergency care.
18. Public passenger transport, transport of goods, oil, fuel and LPG.
19. Home delivery of food, medicine, hygiene and cleaning products and other necessary supplies.
20. Laundry services.
21. Postal and parcel delivery services.
22. Essential surveillance, cleaning and guard services.
23. Minimum shifts to ensure the operation and maintenance of oil and gas fields, oil and gas treatment and/or refining plants, transportation and distribution of electric power, liquid fuels, oil and gas, fuel dispensing stations and electric power generators.
24. Federal Reserves, ATM services, transportation of cash and all those activities that the Central Bank of the Argentine Republic establishes as essential to guarantee the operation of the payment chains.

The Chief of Staff, in his capacity as coordinator of the "General Coordination Unit of the Integral Plan for the Prevention of Public Health Events of International Importance", along with the recommendation of the health authority, may extend or reduce the exemptions provided hereunder, depending on the dynamics of the epidemiological crisis and the effective compliance with this measure.

In all these cases, employers shall guarantee the health and safety conditions established by the Ministry of Health in order to preserve the health of workers.

<sup>1</sup>Section 205 of the Criminal Code provides for six months to two years of imprisonment for any person that violates measures taken by the competent authorities to prevent the introduction or spread of an epidemic in Argentina; and Section 239 provides for fifteen days to one year of imprisonment for any person that resists or disobeys a public official in the legitimate exercise of his duties or the person who assists him at his request or by virtue of a legal obligation.

## LEAVES AND HOLIDAYS

Malvinas (Falklands) War Veterans and Memorial Day is exceptionally moved forward from April 2, 2020 (its regular date) to March 31, 2020. And while personnel of the Federal Government has been granted leave until March 31, 2020, all government agencies are instructed to implement the necessary measures in order to maintain the continuity of the Excluded Activities.

During the Quarantine Period, workers in the private sector shall be entitled to their usual income, under the terms that shall be established by the regulations of the Ministry of Labor, Employment and Social Security.

## OTHER JURISDICTIONS AND BRANCHES OF GOVERNMENT

Provincial and local governments are instructed to issue all necessary measures in order to implement the Decree, under the delegated authority of the Federal Government, in accordance with Article 128 of the National Constitution, without prejudice to other measures that must be adopted in the exercise of their own authority. The Federal Legislative and Judicial Branches are invited to adopt the Decree, within the scope of their authority.

The authorities in charge of (a) the Federal Administration (including the Central Administration and Decentralized Agencies), (b) State-owned Companies (including any organization in which the Federal Government has a majority participation in its capital or in the formation of corporate decisions), and (c) Public Entities expressly excluded from the National Administration (including any non-business State organization with financial autonomy, legal personality and its own assets, in which the Federal Government has majority control over its assets or with respect to the formation of decisions), are instructed to issue such regulations as they deem appropriate to enforce the Decree.

## OTHER RELEVANT MEASURES

Please note that several agencies and authorities within the Federal Government have also enacted inter alia the following measures in connection with the coronavirus pandemic:

- Decree No. 298/2020: Suspends all administrative terms and deadlines.
- Decree No. 300/2020: Temporary 95% reduction of social security contributions and 20% reduction of tax on debits and credits for employers within the health services sector.
- Resolution SCI No. 100/2020: Sets forth a 30-day cap on retail prices for certain consumer goods. Maximum prices were retroactively set at their retail value as of March 6, 2020.
- Resolution ENARGAS No. 1/2020: Suspends ENARGAS' customer service and orders inter alia that all agents open an e-domicile for notifications.
- Resolution MS No. 627/2020: Guidelines regarding the Quarantine.
- Resolution AFIP No. 4683/2020: Extends the regime payment facilities scheme until June 30, 2020.
- Resolution AFIP No. 4684/2020: Extends the period of suspension of injunctions against small and medium companies until June 30, 2020.
- Disposition SDF No. 3/2020: Creates an exclusive reporting regime for the publication of maximum reference prices for a basic basket of consumer products for each province.

# CONTACTS

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